1 A bill to be entitled 2 An act relating to public-private partnerships; 3 transferring, renumbering, and amending s. 287.05712, 4 F.S.; revising definitions; deleting provisions 5 creating the Public-Private Partnership Guidelines 6 Task Force; requiring a private entity that submits an 7 unsolicited proposal to pay an initial application fee and additional amounts if the fee does not cover 8 9 certain costs; specifying payment methods; requiring a 10 responsible public entity to contract with certain licensed professionals if such entity evaluates 11 12 specific unsolicited proposals; authorizing a responsible public entity to alter the statutory 13 14 timeframe for accepting proposals for a qualifying 15 project under certain circumstances; requiring a design criteria package prepared by designated persons 16 to be submitted to a responsible public entity if such 17 entity solicits specific proposals; providing for the 18 19 retention of certain licensed professionals by the 20 responsible public entity for a specified period; 21 deleting a provision that requires approval of the 2.2 local governing body before a school board enters into a comprehensive agreement; revising the conditions 23 necessary for a responsible public entity to approve a 24 25 comprehensive agreement; deleting provisions relating 26 to notice to affected local jurisdictions; providing

Page 1 of 29

CODING: Words stricken are deletions; words underlined are additions.

27 that fees imposed by a private entity must be applied as set forth in the comprehensive agreement; 28 29 authorizing a negotiated portion of revenues from fee-30 generating uses to be returned to the responsible 31 public entity; restricting provisions in financing 32 agreements that could result in a responsible public 33 entity's losing ownership of real or tangible personal property; deleting a provision that required a 34 responsible public entity to comply with specific 35 financial obligations; providing duties of the 36 Department of Management Services relating to 37 38 comprehensive agreements; revising provisions relating 39 to construction of the act; providing an effective 40 date. 41 42 Be It Enacted by the Legislature of the State of Florida: 43 44 Section 287.05712, Florida Statutes, is Section 1. 45 transferred, renumbered as section 255.065, Florida Statutes, 46 and amended to read: 47 255.065 287.05712 Public-private partnerships.-DEFINITIONS.-As used in this section, the term: 48 (1)"Affected local jurisdiction" means a county, 49 (a) 50 municipality, or special district in which all or a portion of a 51 qualifying project is located. 52 "Develop" means to plan, design, finance, lease, (b) Page 2 of 29

CODING: Words stricken are deletions; words underlined are additions.

53 acquire, install, construct, or expand.

(c) "Fees" means charges imposed by the private entity of a qualifying project for use of all or a portion of such qualifying project pursuant to a comprehensive agreement.

57 (d) "Lease payment" means any form of payment, including a
58 land lease, by a public entity to the private entity of a
59 qualifying project for the use of the project.

(e) "Material default" means a nonperformance of its
duties by the private entity of a qualifying project which
jeopardizes adequate service to the public from the project.

(f) "Operate" means to finance, maintain, improve, equip,modify, or repair.

(g) "Private entity" means any natural person,
corporation, general partnership, limited liability company,
limited partnership, joint venture, business trust, public
benefit corporation, nonprofit entity, or other private business
entity.

(h) "Proposal" means a plan for a qualifying project with detail beyond a conceptual level for which terms such as fixing costs, payment schedules, financing, deliverables, and project schedule are defined.

74

(i) "Qualifying project" means:

A facility or project that serves a public purpose,
including, but not limited to, any ferry or mass transit
facility, vehicle parking facility, airport or seaport facility,
rail facility or project, fuel supply facility, oil or gas

Page 3 of 29

CODING: Words stricken are deletions; words underlined are additions.

pipeline, medical or nursing care facility, recreational facility, sporting or cultural facility, or educational facility or other building or facility that is used or will be used by a public educational institution, or any other public facility or infrastructure that is used or will be used by the public at large or in support of an accepted public purpose or activity;

2. An improvement, including equipment, of a building that will be principally used by a public entity or the public at large or that supports a service delivery system in the public sector;

3. A water, wastewater, or surface water managementfacility or other related infrastructure; or

91 4. Notwithstanding any provision of this section, for 92 projects that involve a facility owned or operated by the 93 governing board of a county, district, or municipal hospital or 94 health care system, or projects that involve a facility owned or 95 operated by a municipal electric utility, only those projects 96 that the governing board designates as qualifying projects 97 pursuant to this section.

(j) "Responsible public entity" means a county, municipality, school <u>district</u>, special district board, or any other political subdivision of the state; a public body corporate and politic; or a regional entity that serves a public purpose and is authorized to develop or operate a qualifying project.

104

(k) "Revenues" means the income, earnings, user fees,

Page 4 of 29

CODING: Words stricken are deletions; words underlined are additions.

hb0095-02-c2

105 lease payments, or other service payments relating to the 106 development or operation of a qualifying project, including, but 107 not limited to, money received as grants or otherwise from the 108 Federal Government, a public entity, or an agency or 109 instrumentality thereof in aid of the qualifying project.

(1) "Service contract" means a contract between a <u>responsible</u> public entity and the private entity which defines the terms of the services to be provided with respect to a qualifying project.

(2) LEGISLATIVE FINDINGS AND INTENT.—The Legislature finds that there is a public need for the construction or upgrade of facilities that are used predominantly for public purposes and that it is in the public's interest to provide for the construction or upgrade of such facilities.

119

(a) The Legislature also finds that:

120 There is a public need for timely and cost-effective 1. 121 acquisition, design, construction, improvement, renovation, 122 expansion, equipping, maintenance, operation, implementation, or 123 installation of projects serving a public purpose, including 124 educational facilities, transportation facilities, water or 125 wastewater management facilities and infrastructure, technology 126 infrastructure, roads, highways, bridges, and other public 127 infrastructure and government facilities within the state which serve a public need and purpose, and that such public need may 128 129 not be wholly satisfied by existing procurement methods. 130 There are inadequate resources to develop new 2.

Page 5 of 29

CODING: Words stricken are deletions; words underlined are additions.

131 educational facilities, transportation facilities, water or wastewater management facilities and infrastructure, technology 132 133 infrastructure, roads, highways, bridges, and other public infrastructure and government facilities for the benefit of 134 135 residents of this state, and that a public-private partnership 136 has demonstrated that it can meet the needs by improving the 137 schedule for delivery, lowering the cost, and providing other 138 benefits to the public.

139 3. There may be state and federal tax incentives that
140 promote partnerships between public and private entities to
141 develop and operate qualifying projects.

4. A procurement under this section serves the public
purpose of this section if such procurement facilitates the
timely development or operation of a qualifying project.

145 It is the intent of the Legislature to encourage (b) 146 investment in the state by private entities; to facilitate 147 various bond financing mechanisms, private capital, and other 148 funding sources for the development and operation of qualifying 149 projects, including expansion and acceleration of such financing to meet the public need; and to provide the greatest possible 150 151 flexibility to public and private entities contracting for the 152 provision of public services.

153 (3) PUBLIC-PRIVATE PARTNERSHIP GUIDELINES TASK FORCE.
 154 (a) There is created the Partnership for Public Facilities
 155 and Infrastructure Act Guidelines Task Force for the purpose of
 156 recommending guidelines for the Legislature to consider for

Page 6 of 29

CODING: Words stricken are deletions; words underlined are additions.

hb0095-02-c2

F	L	0	R	D	А	Н	C)	U	S	Е	0)	F	R	Е	Р	R	Е	S	Е	Ν	Т	A	· `	Т	L	V	Е	S

157 purposes of creating a uniform process for establishing public-158 private partnerships, including the types of factors responsible public entities should review and consider when processing 159 160 requests for public-private partnership projects pursuant to 161 this section. 162 (b) The task force shall be composed of seven members, as 163 follows: 164 1. The Secretary of Management Services or his or her 165 designee, who shall serve as chair of the task force. 166 2. Six members appointed by the Governor, as follows: 167 One county government official. 168 b. One municipal government official. One district school board member. 169 170 d. Three representatives of the business community. (c) Task force members must be appointed by July 31, 2013. 171 By August 31, 2013, the task force shall meet to establish 172 173 procedures for the conduct of its business and to elect a vice 174 chair. The task force shall meet at the call of the chair. A 175 majority of the members of the task force constitutes a quorum, 176 and a quorum is necessary for the purpose of voting on any 177 action or recommendation of the task force. All meetings shall be held in Tallahassee, unless otherwise decided by the task 178 179 force, and then no more than two such meetings may be held in 180 other locations for the purpose of taking public testimony. 181 Administrative and technical support shall be provided by the 182 department. Task force members shall serve without compensation

Page 7 of 29

CODING: Words stricken are deletions; words underlined are additions.

183	and are not entitled to reimbursement for per diem or travel
184	expenses.
185	(d) In reviewing public-private partnerships and
186	developing recommendations, the task force must consider:
187	1. Opportunities for competition through public notice and
188	the availability of representatives of the responsible public
189	entity to meet with private entities considering a proposal.
190	2. Reasonable criteria for choosing among competing
191	proposals.
192	3. Suggested timelines for selecting proposals and
193	negotiating an interim or comprehensive agreement.
194	4. If an accelerated selection and review and
195	documentation timelines should be considered for proposals
196	involving a qualifying project that the responsible public
197	entity deems a priority.
198	5. Procedures for financial review and analysis which, at
199	a minimum, include a cost-benefit analysis, an assessment of
200	opportunity cost, and consideration of the results of all
201	studies and analyses related to the proposed qualifying project.
202	6. The adequacy of the information released when seeking
203	competing proposals and providing for the enhancement of that
204	information, if deemed necessary, to encourage competition.
205	7. Current exemptions from public records and public
206	meetings requirements, if any changes to those exemptions are
207	necessary, or if any new exemptions should be created in order
208	to maintain the confidentiality of financial and proprietary
	Page 8 of 29

CODING: Words stricken are deletions; words underlined are additions.

209 information received as part of an unsolicited proposal. 8. Recommendations regarding the authority of the 210 211 responsible public entity to engage the services of qualified 212 professionals, which may include a Florida-registered 213 professional or a certified public accountant, not otherwise 214 employed by the responsible public entity, to provide an 215 independent analysis regarding the specifics, advantages, 216 disadvantages, and long-term and short-term costs of a request 217 by a private entity for approval of a qualifying project, unless 218 the governing body of the public entity determines that such 219 analysis should be performed by employees of the public entity.

(e) The task force must submit a final report of its
 recommendations to the Governor, the President of the Senate,
 and the Speaker of the House of Representatives by July 1, 2014.

223 (f) The task force is terminated December 31, 2014. The 224 establishment of guidelines pursuant to this section or the 225 adoption of such quidelines by a responsible public entity is 226 not required for such entity to request or receive proposals for 227 a qualifying project or to enter into a comprehensive agreement 228 for a qualifying project. A responsible public entity may adopt 229 guidelines so long as such guidelines are not inconsistent with 230 this section.

231 <u>(3) (4)</u> PROCUREMENT PROCEDURES.—A responsible public entity 232 may receive unsolicited proposals or may solicit proposals for <u>a</u> 233 qualifying <u>project</u> projects and may thereafter enter into <u>a</u> 234 <u>comprehensive</u> an agreement with a private entity, or a

Page 9 of 29

CODING: Words stricken are deletions; words underlined are additions.

235 consortium of private entities, for the building, upgrading, 236 operating, ownership, or financing of facilities.

(a)<u>1.</u> The responsible public entity may establish a
reasonable application fee for the submission of an unsolicited
proposal under this section.

240 <u>2. A private entity that submits an unsolicited proposal</u>
 241 <u>to a responsible public entity must concurrently pay an initial</u>
 242 <u>application fee, as determined by the responsible public entity.</u>
 243 <u>Payment must be made by cash, cashier's check, or other</u>
 244 noncancelable instrument. Personal checks may not be accepted.

245 3. If the initial application fee does not cover the 246 responsible public entity's costs to evaluate the unsolicited 247 proposal, the responsible public entity must request in writing 248 the additional amounts required. The private entity must pay the requested additional amounts within 30 days after receipt of the 249 250 notice. The responsible public entity may stop its review of the 251 unsolicited proposal if the private entity fails to pay the 252 additional amounts.

253 <u>4. If the responsible public entity does not evaluate the</u> 254 <u>unsolicited proposal, the responsible public entity must return</u> 255 <u>the application fee</u> The fee must be sufficient to pay the costs 256 of evaluating the proposal. The responsible public entity may 257 engage the services of a private consultant to assist in the 258 evaluation.

259

260

5. If the responsible public entity evaluates an unsolicited proposal involving architecture, engineering, or

Page 10 of 29

CODING: Words stricken are deletions; words underlined are additions.

261 landscape architecture, the responsible public entity must require an architect, an engineer, or a landscape architect 262 263 licensed in this state and qualified to perform the review, to 264 review and evaluate the design and construction proposed by the 265 initial or subsequent proposers to ensure that material quality standards, interior space utilization, budget estimates, design 266 267 and construction schedules, and sustainable design and 268 construction standards are consistent with the requirements for 269 public projects. The licensed professional who reviews and 270 evaluates the unsolicited proposal shall be retained to advise 271 the responsible public entity through completion of the design 272 and construction of the qualifying project.

273 The responsible public entity may request a proposal (b) 274 from private entities for a qualifying public-private project or, if the responsible public entity receives an unsolicited 275 276 proposal for a qualifying public-private project and the 277 responsible public entity intends to enter into a comprehensive 278 agreement for the project described in the such unsolicited 279 proposal, the responsible public entity shall publish notice in 280 the Florida Administrative Register and a newspaper of general 281 circulation at least once a week for 2 weeks stating that the 282 responsible public entity has received a proposal and will 283 accept other proposals for the same project. The timeframe 284 within which the responsible public entity may accept other 285 proposals shall be determined by the responsible public entity 286 on a project-by-project basis based upon the complexity of the

Page 11 of 29

CODING: Words stricken are deletions; words underlined are additions.

287 qualifying project and the public benefit to be gained by 288 allowing a longer or shorter period of time within which other 289 proposals may be received; however, the timeframe for allowing 290 other proposals must be at least 21 days, but no more than 120 291 days, after the initial date of publication. If approved by a 292 majority vote of the responsible public entity's governing body, 293 the responsible public entity may alter the timeframe for 294 accepting proposals to more adequately suit the needs of the 295 qualifying project. A copy of the notice must be mailed to each 296 local government in the affected area.

297 (C) If the solicited qualifying project provided in paragraph (b) includes design work, the solicitation must 298 299 include a design criteria package prepared by an architect, an engineer, or a landscape architect licensed in this state which 300 301 is sufficient to allow private entities to prepare a bid or a 302 response. The design criteria package must provide reasonably 303 specific criteria for the qualifying project, such as the legal 304 description of the site, with survey information; interior space 305 requirements; material quality standards; schematic layouts and 306 conceptual design criteria for the qualifying project; cost or 307 budget estimates; design and construction schedules; and site 308 development and utility requirements. The licensed design 309 professional who prepares the design criteria package shall be 310 retained to advise the responsible public entity through 311 completion of the design and construction of the qualifying 312 project A responsible public entity that is a school board may

Page 12 of 29

CODING: Words stricken are deletions; words underlined are additions.

313 enter into a comprehensive agreement only with the approval of 314 the local governing body.

315 (d) Before <u>approving a comprehensive agreement</u> approval, 316 the responsible public entity must determine that the proposed 317 project:

318

1. Is in the public's best interest.

319 2. Is for a facility that is owned by the responsible 320 public entity or for a facility for which ownership will be 321 conveyed to the responsible public entity.

322 3. Has adequate safeguards in place to ensure that 323 additional costs or service disruptions are not imposed on the 324 public in the event of material default or cancellation of the 325 comprehensive agreement by the responsible public entity.

4. Has adequate safeguards in place to ensure that the
responsible public entity or private entity has the opportunity
to add capacity to the proposed project or other facilities
serving similar predominantly public purposes.

330 5. Will be owned by the responsible public entity upon
331 completion, expiration, or termination of the <u>comprehensive</u>
332 agreement and upon payment of the amounts financed.

(e) Before signing a comprehensive agreement, the responsible public entity must consider a reasonable finance plan that is consistent with subsection <u>(9)</u> (11); the <u>qualifying</u> project cost; revenues by source; available financing; major assumptions; internal rate of return on private investments, if governmental funds are assumed in order to deliver a cost-

Page 13 of 29

CODING: Words stricken are deletions; words underlined are additions.

feasible project; and a total cash-flow analysis beginning with the implementation of the project and extending for the term of the comprehensive agreement.

In considering an unsolicited proposal, the 342 (f) 343 responsible public entity may require from the private entity a 344 technical study prepared by a nationally recognized expert with 345 experience in preparing analysis for bond rating agencies. In evaluating the technical study, the responsible public entity 346 347 may rely upon internal staff reports prepared by personnel 348 familiar with the operation of similar facilities or the advice 349 of external advisors or consultants who have relevant 350 experience.

351 <u>(4)(5)</u> PROJECT APPROVAL REQUIREMENTS.—An unsolicited 352 proposal from a private entity for approval of a qualifying 353 project must be accompanied by the following material and 354 information, unless waived by the responsible public entity:

(a) A description of the qualifying project, including the
 conceptual design of the facilities or a conceptual plan for the
 provision of services, and a schedule for the initiation and
 completion of the qualifying project.

(b) A description of the method by which the private
entity proposes to secure the necessary property interests that
are required for the qualifying project.

362 (c) A description of the private entity's general plans
363 for financing the qualifying project, including the sources of
364 the private entity's funds and the identity of any dedicated

Page 14 of 29

CODING: Words stricken are deletions; words underlined are additions.

365 revenue source or proposed debt or equity investment on behalf of the private entity. 366 367 (d) The name and address of a person who may be contacted 368 for additional information concerning the proposal. 369 (e) The proposed user fees, lease payments, or other 370 service payments over the term of a comprehensive agreement, and 371 the methodology for and circumstances that would allow changes 372 to the user fees, lease payments, and other service payments 373 over time. 374 (f) Additional material or information that the 375 responsible public entity reasonably requests. 376 377 Any pricing or financial terms included in an unsolicited 378 proposal must be specific as to when the pricing or terms 379 expire. 380 (5) (6) PROJECT QUALIFICATION AND PROCESS. 381 The private entity, or the applicable party or parties (a) 382 of the private entity's team, must meet the minimum standards 383 contained in the responsible public entity's guidelines for 384 qualifying professional services and contracts for traditional 385 procurement projects. 386 The responsible public entity must: (b) 387 Ensure that provision is made for the private entity's 1. 388 performance and payment of subcontractors, including, but not 389 limited to, surety bonds, letters of credit, parent company 390 guarantees, and lender and equity partner guarantees. For the Page 15 of 29

CODING: Words stricken are deletions; words underlined are additions.

391 components of the qualifying project which involve construction 392 performance and payment, bonds are required and are subject to 393 the recordation, notice, suit limitation, and other requirements 394 of s. 255.05.

395 2. Ensure the most efficient pricing of the security 396 package that provides for the performance and payment of 397 subcontractors.

398 3. Ensure that provision is made for the transfer of the 399 private entity's obligations if the comprehensive agreement 400 addresses termination upon is terminated or a material default 401 of the comprehensive agreement occurs.

402 (C) After the public notification period has expired in 403 the case of an unsolicited proposal, the responsible public 404 entity shall rank the proposals received in order of preference. 405 In ranking the proposals, the responsible public entity may 406 consider factors that include, but are not limited to, 407 professional qualifications, general business terms, innovative design techniques or cost-reduction terms, and finance plans. 408 409 The responsible public entity may then begin negotiations for a 410 comprehensive agreement with the highest-ranked firm. If the 411 responsible public entity is not satisfied with the results of 412 the negotiations, the responsible public entity may terminate 413 negotiations with the proposer and negotiate with the secondranked or subsequent-ranked firms, in the order consistent with 414 415 this procedure. If only one proposal is received, the 416 responsible public entity may negotiate in good faith, and if

Page 16 of 29

CODING: Words stricken are deletions; words underlined are additions.

417 the <u>responsible</u> public entity is not satisfied with the results 418 of the negotiations, the <u>responsible</u> public entity may terminate 419 negotiations with the proposer. Notwithstanding this paragraph, 420 the responsible public entity may reject all proposals at any 421 point in the process until a contract with the proposer is 422 executed.

(d) The responsible public entity shall perform an
independent analysis of the proposed public-private partnership
which demonstrates the cost-effectiveness and overall public
benefit before the procurement process is initiated or before
the contract is awarded.

428 (e) The responsible public entity may approve the 429 development or operation of an educational facility, a 430 transportation facility, a water or wastewater management 431 facility or related infrastructure, a technology infrastructure 432 or other public infrastructure, or a government facility needed 433 by the responsible public entity as a qualifying project, or the 434 design or equipping of a qualifying project that is developed or 435 operated, if:

There is a public need for or benefit derived from a
project of the type that the private entity proposes as the
qualifying project.

439 2. The estimated cost of the qualifying project is440 reasonable in relation to similar facilities.

3. The private entity's plans will result in the timelyacquisition, design, construction, improvement, renovation,

Page 17 of 29

CODING: Words stricken are deletions; words underlined are additions.

443 expansion, equipping, maintenance, or operation of the 444 qualifying project.

(f) The responsible public entity may charge a reasonable fee to cover the costs of processing, reviewing, and evaluating the request, including, but not limited to, reasonable attorney fees and fees for financial and technical advisors or consultants and for other necessary advisors or consultants.

(g) Upon approval of a qualifying project, the responsible
public entity shall establish a date for the commencement of
activities related to the qualifying project. The responsible
public entity may extend the commencement date.

(h) Approval of a qualifying project by the responsible
public entity is subject to entering into a comprehensive
agreement with the private entity.

457

(7) NOTICE TO AFFECTED LOCAL JURISDICTIONS.

458 (a) The responsible public entity must notify each
459 affected local jurisdiction by furnishing a copy of the proposal
460 to each affected local jurisdiction when considering a proposal
461 for a qualifying project.

462 (b) Each affected local jurisdiction that is not a
463 responsible public entity for the respective qualifying project
464 may, within 60 days after receiving the notice, submit in
465 writing any comments to the responsible public entity and
466 indicate whether the facility is incompatible with the local
467 comprehensive plan, the local infrastructure development plan,
468 the capital improvements budget, any development of regional

Page 18 of 29

CODING: Words stricken are deletions; words underlined are additions.

469 impact processes or timelines, or other governmental spending 470 plan. The responsible public entity shall consider the comments 471 of the affected local jurisdiction before entering into a 472 comprehensive agreement with a private entity. If an affected 473 local jurisdiction fails to respond to the responsible public 474 entity within the time provided in this paragraph, the 475 nonresponse is deemed an acknowledgment by the affected local 476 jurisdiction that the qualifying project is compatible with the 477 local comprehensive plan, the local infrastructure development 478 plan, the capital improvements budget, or other governmental 479 spending plan.

480 (6) (8) INTERIM AGREEMENT.-Before or in connection with the 481 negotiation of a comprehensive agreement, the responsible public 482 entity may enter into an interim agreement with the private 483 entity proposing the development or operation of the qualifying 484 project. An interim agreement does not obligate the responsible 485 public entity to enter into a comprehensive agreement. The 486 interim agreement is discretionary with the parties and is not 487 required on a qualifying project for which the parties may 488 proceed directly to a comprehensive agreement without the need 489 for an interim agreement. An interim agreement must be limited 490 to provisions that:

(a) Authorize the private entity to commence activities
for which it may be compensated related to the proposed
qualifying project, including, but not limited to, project
planning and development, design, environmental analysis and

Page 19 of 29

CODING: Words stricken are deletions; words underlined are additions.

495 mitigation, survey, other activities concerning any part of the 496 proposed qualifying project, and ascertaining the availability 497 of financing for the proposed facility or facilities.

(b) Establish the process and timing of the negotiation ofthe comprehensive agreement.

(c) Contain such other provisions related to an aspect of the development or operation of a qualifying project that the responsible public entity and the private entity deem appropriate.

504

(7) (9) COMPREHENSIVE AGREEMENT.-

(a) Before developing or operating the qualifying project,
the private entity must enter into a comprehensive agreement
with the responsible public entity. The comprehensive agreement
must provide for:

1. Delivery of performance and payment bonds, letters of credit, or other security acceptable to the responsible public entity in connection with the development or operation of the qualifying project in the form and amount satisfactory to the responsible public entity. For the components of the qualifying project which involve construction, the form and amount of the bonds must comply with s. 255.05.

2. Review of the design for the qualifying project by the responsible public entity and, if the design conforms to standards acceptable to the responsible public entity, the approval of the responsible public entity. This subparagraph does not require the private entity to complete the design of

Page 20 of 29

CODING: Words stricken are deletions; words underlined are additions.

521 the qualifying project before the execution of the comprehensive 522 agreement.

523 3. Inspection of the qualifying project by the responsible 524 public entity to ensure that the private entity's activities are 525 acceptable to the <u>responsible</u> public entity in accordance with 526 the comprehensive agreement.

4. Maintenance of a policy of public liability insurance, a copy of which must be filed with the responsible public entity and accompanied by proofs of coverage, or self-insurance, each in the form and amount satisfactory to the responsible public entity and reasonably sufficient to ensure coverage of tort liability to the public and employees and to enable the continued operation of the qualifying project.

5. Monitoring by the responsible public entity of the maintenance practices to be performed by the private entity to ensure that the qualifying project is properly maintained.

537 6. Periodic filing by the private entity of the 538 appropriate financial statements that pertain to the qualifying 539 project.

540 7. Procedures that govern the rights and responsibilities 541 of the responsible public entity and the private entity in the 542 course of the construction and operation of the qualifying 543 project and in the event of the termination of the comprehensive 544 agreement or a material default by the private entity. The 545 procedures must include conditions that govern the assumption of 546 the duties and responsibilities of the private entity by an

Page 21 of 29

CODING: Words stricken are deletions; words underlined are additions.

547 entity that funded, in whole or part, the qualifying project or 548 by the responsible public entity, and must provide for the 549 transfer or purchase of property or other interests of the 550 private entity by the responsible public entity.

551 8. Fees, lease payments, or service payments. In 552 negotiating user fees, the fees must be the same for persons 553 using the facility under like conditions and must not materially 554 discourage use of the qualifying project. The execution of the 555 comprehensive agreement or a subsequent amendment is conclusive 556 evidence that the fees, lease payments, or service payments 557 provided for in the comprehensive agreement comply with this 558 section. Fees or lease payments established in the comprehensive 559 agreement as a source of revenue may be in addition to, or in 560 lieu of, service payments.

561 9. Duties of the private entity, including the terms and 562 conditions that the responsible public entity determines serve 563 the public purpose of this section.

564

(b) The comprehensive agreement may include:

565 1. An agreement by the responsible public entity to make 566 grants or loans to the private entity from amounts received from 567 the federal, state, or local government or an agency or 568 instrumentality thereof.

2. A provision under which each entity agrees to provide notice of default and cure rights for the benefit of the other entity, including, but not limited to, a provision regarding unavoidable delays.

Page 22 of 29

CODING: Words stricken are deletions; words underlined are additions.

573 A provision that terminates the authority and duties of 3. 574 the private entity under this section and dedicates the 575 qualifying project to the responsible public entity or, if the 576 qualifying project was initially dedicated by an affected local jurisdiction, to the affected local jurisdiction for public use. 577 578 (8) (10) FEES.-A comprehensive An agreement entered into 579 pursuant to this section may authorize the private entity to 580 impose fees to members of the public for the use of the 581 facility. The following provisions apply to the comprehensive 582 agreement: 583 The responsible public entity may develop new (a) 584 facilities or increase capacity in existing facilities through a 585 comprehensive agreement with a private entity agreements with 586 public-private partnerships. 587 The comprehensive public private partnership agreement (b) must ensure that the facility is properly operated, maintained, 588 589 or improved in accordance with standards set forth in the 590 comprehensive agreement. 591 (C) The responsible public entity may lease existing fee-592 for-use facilities through a comprehensive public-private 593 partnership agreement. Any revenues must be authorized by and applied in the 594 (d) manner set forth in regulated by the responsible public entity 595 596 pursuant to the comprehensive agreement. 597 A negotiated portion of revenues from fee-generating (e) 598 uses may must be returned to the responsible public entity over Page 23 of 29

CODING: Words stricken are deletions; words underlined are additions.

hb0095-02-c2

599 the life of the comprehensive agreement.

600

(9) (11) FINANCING.-

(a) A private entity may enter into a private-source
financing agreement between financing sources and the private
entity. A financing agreement and any liens on the property or
facility must be paid in full at the applicable closing that
transfers ownership or operation of the facility to the
responsible public entity at the conclusion of the term of the
comprehensive agreement.

(b) The responsible public entity may lend funds to
private entities that construct projects containing facilities
that are approved under this section.

The responsible public entity may use innovative 611 (C) 612 finance techniques associated with a public-private partnership 613 under this section, including, but not limited to, federal loans 614 as provided in Titles 23 and 49 C.F.R., commercial bank loans, 615 and hedges against inflation from commercial banks or other private sources. In addition, the responsible public entity may 616 617 provide its own capital or operating budget to support a qualifying project. The budget may be from any legally 618 619 permissible funding sources of the responsible public entity, 620 including the proceeds of debt issuances. A responsible public 621 entity may use the model financing agreement provided in s. 622 489.145(6) for its financing of a facility owned by a 623 responsible public entity. A financing agreement may not require 624 the responsible public entity to indemnify the financing source,

Page 24 of 29

CODING: Words stricken are deletions; words underlined are additions.

625 subject the responsible public entity's facility to liens in violation of s. 11.066(5), or secure financing of by the 626 627 responsible public entity by a mortgage on, or security interest in, the real or tangible personal property of the responsible 628 public entity in a manner that could result in the loss of the 629 630 fee ownership of the property by the responsible public entity with a pledge of security interest, and any such provision is 631 632 void.

633 (d) A responsible public entity shall appropriate on a
634 priority basis as required by the comprehensive agreement a
635 contractual payment obligation, annual or otherwise, from the
636 enterprise or other government fund from which the qualifying
637 projects will be funded. This required payment obligation must
638 be appropriated before other noncontractual obligations payable
639 from the same enterprise or other government fund.

640 641 (10) (12) POWERS AND DUTIES OF THE PRIVATE ENTITY.-

(a) The private entity shall:

642 1. Develop or operate the qualifying project in a manner
643 that is acceptable to the responsible public entity in
644 accordance with the provisions of the comprehensive agreement.

645 2. Maintain, or provide by contract for the maintenance or
646 improvement of, the qualifying project if required by the
647 comprehensive agreement.

648 3. Cooperate with the responsible public entity in making
649 best efforts to establish interconnection between the qualifying
650 project and any other facility or infrastructure as requested by

Page 25 of 29

CODING: Words stricken are deletions; words underlined are additions.

651 the responsible public entity in accordance with the provisions652 of the comprehensive agreement.

653 4. Comply with the comprehensive agreement and any lease654 or service contract.

(b) Each private facility that is constructed pursuant to this section must comply with the requirements of federal, state, and local laws; state, regional, and local comprehensive plans; the responsible public entity's rules, procedures, and standards for facilities; and such other conditions that the responsible public entity determines to be in the public's best interest and that are included in the comprehensive agreement.

(c) The responsible public entity may provide services to
the private entity. An agreement for maintenance and other
services entered into pursuant to this section must provide for
full reimbursement for services rendered for qualifying
projects.

(d) A private entity of a qualifying project may provide
additional services for the qualifying project to the public or
to other private entities if the provision of additional
services does not impair the private entity's ability to meet
its commitments to the responsible public entity pursuant to the
comprehensive agreement.

673 <u>(11)(13)</u> EXPIRATION OR TERMINATION OF AGREEMENTS.—Upon the 674 expiration or termination of a comprehensive agreement, the 675 responsible public entity may use revenues from the qualifying 676 project to pay current operation and maintenance costs of the

Page 26 of 29

CODING: Words stricken are deletions; words underlined are additions.

2016

677 qualifying project. If the private entity materially defaults under the comprehensive agreement, the compensation that is 678 679 otherwise due to the private entity is payable to satisfy all 680 financial obligations to investors and lenders on the qualifying 681 project in the same way that is provided in the comprehensive 682 agreement or any other agreement involving the qualifying 683 project, if the costs of operating and maintaining the 684 qualifying project are paid in the normal course. Revenues in 685 excess of the costs for operation and maintenance costs may be 686 paid to the investors and lenders to satisfy payment obligations 687 under their respective agreements. A responsible public entity 688 may terminate with cause and without prejudice a comprehensive 689 agreement and may exercise any other rights or remedies that may 690 be available to it in accordance with the provisions of the 691 comprehensive agreement. The full faith and credit of the 692 responsible public entity may not be pledged to secure the 693 financing of the private entity. The assumption of the 694 development or operation of the qualifying project does not 695 obligate the responsible public entity to pay any obligation of 696 the private entity from sources other than revenues from the 697 qualifying project unless stated otherwise in the comprehensive 698 agreement.

699 <u>(12) (14)</u> SOVEREIGN IMMUNITY.—This section does not waive 700 the sovereign immunity of a responsible public entity, an 701 affected local jurisdiction, or an officer or employee thereof 702 with respect to participation in, or approval of, any part of a

Page 27 of 29

CODING: Words stricken are deletions; words underlined are additions.

F	L	0	R	D	А	Н	C)	U	S	Е	0)	F	R	Е	Р	R	Е	S	Е	Ν	Т	A	· `	Т	L	V	Е	S

703 qualifying project or its operation, including, but not limited 704 to, interconnection of the qualifying project with any other 705 infrastructure or project. A county or municipality in which a 706 qualifying project is located possesses sovereign immunity with 707 respect to the project, including, but not limited to, its 708 design, construction, and operation.

709

(13) DEPARTMENT OF MANAGEMENT SERVICES.-

(a) A responsible public entity may provide a copy of its
 comprehensive agreement to the Department of Management
 Services. A responsible public entity must redact any
 confidential or exempt information from the copy of the
 comprehensive agreement before providing it to the Department of
 Management Services.

716 (b) The Department of Management Services may accept and 717 maintain copies of comprehensive agreements received from 718 responsible public entities for the purpose of sharing 719 comprehensive agreements with other responsible public entities.

(c) This subsection does not require a responsible public
 entity to provide a copy of its comprehensive agreement to the
 Department of Management Services.

723

(14) (15) CONSTRUCTION.-

724 (a) This section shall be liberally construed to
 725 effectuate the purposes of this section.

(b) This section shall be construed as cumulative and
supplemental to any other authority or power vested in or
exercised by the governing body board of a county, municipality,

Page 28 of 29

CODING: Words stricken are deletions; words underlined are additions.

729 <u>special</u> district, or municipal hospital or health care system 730 including those contained in acts of the Legislature 731 establishing such public hospital boards or s. 155.40.

(c) This section does not affect any agreement or existing
 relationship with a supporting organization involving such
 governing body board or system in effect as of January 1, 2013.

735 <u>(d) (a)</u> This section provides an alternative method and 736 does not limit a <u>county</u>, <u>municipality</u>, <u>special district</u>, <u>or</u> 737 <u>other</u> political subdivision of the state in the <u>procurement or</u> 738 <u>operation of a qualifying project</u> acquisition, design, or 739 construction of a public project pursuant to other statutory <u>or</u> 740 constitutional authority.

741 (e) (b) Except as otherwise provided in this section, this 742 section does not amend existing laws by granting additional 743 powers to, or further restricting, a local governmental entity 744 from regulating and entering into cooperative arrangements with 745 the private sector for the planning, construction, or operation 746 of a facility.

747 <u>(f)(c)</u> This section does not waive any requirement of s. 748 287.055.

749 Section 2. This act shall take effect July 1, 2016.

Page 29 of 29

CODING: Words stricken are deletions; words underlined are additions.